

AMARILLO DAILY NEWS

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AMARILLO, TEXAS, WEDNESDAY, NOVEMBER 22, 1911.

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IS RULER OVER DYNAMITE KEG

Explosive Threatens Wall Street, Financial Monarch, Momentarily

BANK REFORM URGED

WARBURG, ALDRICH AND OTHER NOTED SPEAKERS HEARD AT BANKERS' NATIONAL CONVENTION.

Special to Daily News.

New Orleans, La., Nov. 21.—"Wall Street is a ruler on a keg of dynamite," said Paul Warburg, the New York banker, member of one of the great international financial firms, today, in pleading for banking reform and panic insurance before the American Bankers' Convention.

Mr. Warburg said that the great weakness of American banking, as compared with European banking, lay in the dangerously large use of stock exchange collateral as the basis for bank loans instead of the use, as in Europe, of commercial paper arising out of the normal day-to-day movement of goods from producers to consumers.

"The main assets of a bank," he said, "ought not to be stocks and bonds, nor loans on stocks and bonds, but commercial paper. But a bank, the deposits of which may be withdrawn on demand at any time, must have assets which can be reduced to bank credits within the quickest time and with the smallest possible loss. Commercial paper and bank acceptances form the main asset of European banks. These bills have the widest possible market, where millions are exchanged daily with margins of 1-16 per cent or 1-8 per cent in the interest rate, without scrutinizing the paper when the bargain is struck."

Europe's Example.

"The mobilization of the promissory note, the system which enables Europe to transform bills into bank credits as quickly as staples or securities, is the explanation of Europe's success when we fail. If a banking system, as ours, is built up on promissory notes which have no free market, the consequences must be that when deposits are withdrawn heavily, or when there is a strong commercial demand for money that stock exchange loans must be called and holdings of securities must be sacrificed, these being the only available liquid assets."

"This means great economic waste and often calamity, for it is an absolutely perverse system that expects a normal investment demand, in time, moreover, when money is scarce, to be able to supply a sufficient sum to satisfy all the immense commercial demands of the entire nation. Moreover, it follows, that prices of securities have to be so far reduced that at bargain, or sometimes bankruptcy prices, an abnormal demand for securities at home or abroad must be stimulated."

Method Dangerous.

"This method is not only wasteful, but as the past has shown us it is most dangerous. A modern system must provide for means for banks to rely upon their ability of marketing their bills receivable, which represent the trade and commerce of the whole nation. In a modern system this can be done without appalling losses, there being no question of sacrifice of capital in selling securities, but only a question of difference in rate of interest in selling paper. Moreover, it can be done without creating a panic; since gradual liquidation of commercial paper means a reduction of the volume of all commerce and trade."

Contemporaneous financial history furnishes us constantly with illustrations showing the superiority of the European system. During the Moroccan crisis a war scare developed in France and actual hoarding of gold began; the withdrawals from the deposit banks were at a given moment alarming. But there followed no panic. The Banque de France issued notes freely, the French banks collected their holdings of foreign paper, and the general confidence in the Banque de France's power to cope with the situation overcame the fright without the horrors that would have ensued with us.

"When France, for reasons just explained and as a means of political resource, withdrew from Germany more than 200 million marks that temporarily had been invested there, when English and Russian Government money were called back, Ger-

DAM OWNERS FOUND GUILTY OF NEGLIGENCE

Coudersport, Pa., Nov. 21.—George C. Bayless, president, and Frederick J. Hamlin, superintendent of the Bayless Pulp & Paper company whose dam at Austin burst causing the recent disaster in which more than seventy lives were lost, were tonight found guilty of gross negligence by the coroner's jury.

VICTIM'S DAY IN TAR CASE

Miss Chamberlain Faces Men Charged With Complicity in Assault

By Associated Press.

Lincoln Center, Kans., Nov. 21.—This is Miss Mary Chamberlain's day in court in the famous "tar" case.

Facing the three men charged with complicity in attacking her on the country road north of Shady Bend on the night of October 7, and in the crowded court room she told of her terrifying experience. Her story was dramatic in its simplicity, and she recited in a low voice and was unshaken in the cross examination.

Her story was the same as has been told many weeks, of how she was taken from a buggy and her body and limbs spread with a coat of tar by ten men. It is claimed that the men were urged by their wives and sweethearts to do the job.

CASTRO RETURNS TO VENEZUELA WITH ARMY

By Associated Press.

Mexico City, Nov. 21.—Dispatch from Caracas today says that General Cipriano Castro, the former president of Venezuela, won the battle which occurred there Sunday, having entered his native country with thousands of followers.

MILLIONS FOR COTTON CROP

Bankers Raise Enormous Fund for Purpose of Handling Crop

By Associated Press.

New York, Nov. 21.—Bankers who have been conferring for several days with representatives of the Governors' Conference and Southern Cotton Congress, announce this afternoon that they have raised fifty millions of dollars to be placed immediately into the cotton belt states for the purpose of handling the cotton crop of 1911 and thus enable the growers to participate in any rise in the markets.

LEVY DECLARES PROPOSAL OF TOBACCO TRUST SHAME

By Associated Press.

Washington, D. C., Nov. 21.—"The plan proposed by the tobacco combination, and approved by the attorney general and the circuit court attorney, is a shame and a subterfuge, knowingly devised by the Tobacco company to seem to carry out the mandate of the supreme court, but which really leaves its monopoly unimpaired," is the statement today by Felix H. Levy, attorney for the independent tobacco firms and former assistant to the United States attorney general, made before the senate committee on interstate commerce.

"The government has sacrificed practically all the benefits that were intended to accrue to the people of the United States, for the benefit of the trusts," was another statement made by Attorney Levy, before the committee.

GOMPERS STAYS IN CIVIC FEDERATION

By Associated Press.

Atlanta, Ga., Nov. 21.—President Samuel Gompers and other labor leaders in the American Federation of Labor may continue to associate with Andrew Carnegie, August Belmont and other so-called enemies of organized labor as members of the National Civic Federation, as the convention late today defeated the resolution "respectfully requesting" its officers to resign from the federation.

MISSIONARIES IN DIRE PERIL

Woman and Five Children Murdered During Sian Fu Fight

SAID TO BE AMERICAN

OTHERS FLEE TOWARD COAST BUT MAY ENCOUNTER DESPERATE BANDS OF ROBBERS.

By Associated Press.

Peking, Nov. 21.—The killing of foreigners at Sian Fu has been further confirmed by two Chinese students who have just arrived from that city.

During the fighting at Sian Fu the inland mission was attacked, Mrs. Beckman, said to be an American, and five of the mission children were murdered. Mr. Beckman was wounded, but escaped, saving an infant.

Surviving foreigners were sheltered by Chinese Christians, and departed east toward the railway about, but are likely to encounter bands of robbers en route.

The American legation's instructions are that the women and children who were sent to the coast failed to reach many inland places before communication was entirely cut off.

There are eighty foreign missionaries in Sian Fu.

The Chi Li Assembly has decided to comply with Sun Pao Chi's request jointly to demand that the throne abdicate.

BLOODY CHANG REHEADS DESERTER'S RELATIVES

By Associated Press.

Nanking, Nov. 21.—Gen. Chang, commander of the imperialist force in the city, in reversion for the execution of General Shu, who joined the revolutionaries, has beheaded all of Shu's relatives.

The United States cruiser New Orleans sailed today for Shanghai. It will be relieved here by the cruiser Albany.

COMMUNICATION WITH SIAN FU IMPOSSIBLE

By Associated Press.

London, Nov. 21.—The Baptist missionary society in this city received a cablegram from Shanghai stating that communication with Sian Fu, where the massacres of the foreigners occurred, is impossible, as telegraph wires have been cut. Tia Yuan, the capital of the province of Shan Si, is in ruins, but the missions are safe.

FINAL HEARING IN "PHONE" CASE

Interest Awakened Over Announcement of Early Court Action

Interest has been awakened especially in legal circles over the announcement made yesterday that final hearing will be given in the Seventh Court of Civil Appeals in this city, on the appeal of the defendants from the temporary restraining order, recently issued by Judge Frank P. Greever of the Thirty-first judicial district in the case of the City of Amarillo vs. the Panhandle Telephone & Telegraph company. Defendant is, with A. E. Martin of Tulsa as chief justice, B. M. Baker of Canadian and R. C. Sowerder of Lubbock as associate justices. Justice Graham, Presale and Hall being disqualified by reason of interest in the rates under discussion.

It is expected that this case will demand possibly a full day, and for that reason Friday has been assigned for its disposition.

Bride Belongs to Nored Family. Philadelphia, Pa., Nov. 21.—A large gathering of spectators belonging to the exclusive social circle of Philadelphia and other large eastern cities filled St. Peter's Episcopal church, Third and Pine streets, at noon today when Miss Gladys Eleanor Powell, daughter of Wilfred Powell, British Consul at this port and grand-daughter of General Sir Robert S. Baden-Powell, the famous hero of the Boer War, was married to the Rev. Percy James Brown, senior curate of St. Peter's and recently appointed dean of the Episcopal Cathedral at Manila, P. I.

SUFFRAGETTES DON WAR PAINT

March on Window-Smashing Campaign Against British Parliament

220 ARE ARRESTED

WERE HIGHLY INCENSED OVER PRIME MINISTER'S OPPOSITION TO VOTES FOR BOTH SEXES.

By Associated Press.

London, Nov. 21.—Suffragettes fared badly at the hands of London police today when they endeavored to make good their threats to enter the House of Commons and make protest on the floor against the Prime Minister's refusal to pledge the government to the bill, giving equal suffrage to both sexes.

The police prevented them from reaching the entrance to Parliament, and 220 women were arrested after a snappy campaign at window-smashing with stones which were concealed under their dresses.

With the assistance of rowdies, the suffragettes smashed numerous windows in public offices, including the Liberal headquarters, the postoffice, bank, and numerous private concerns.

The women first held a mass meeting, declared that the Prime Minister's action was an insult to them, and then attempted their march on Parliament. The battle was fierce but short.

The suffragettes were led by Mrs. Patrick Lawrence who, with other prominent women, was arrested and released on bond.

EXPRESS AGENT PLEADS GUILTY OF EMBEZZLEMENT

By Associated Press.

Waxahatchie, Tex., Nov. 21.—R. H. Paine, formerly agent for the Wabash, Fargo & Company Express, arrested last week charged with having embezzled funds amounting to \$2,500 of his employers, entered a plea of guilty in the court here this morning, and was sentenced to two years in the state penitentiary.

Methodist Brotherhood Meets.

Omaha, Neb., Nov. 21.—The annual meeting of the board of managers of the Methodist Brotherhood of the United States began in Omaha today, with headquarters at the First Methodist church. Among the prominent speakers on the program of the two days' meeting are Dr. H. F. Hall of Denver, Dr. F. L. Thompson of New York, and Dr. W. A. Wilson of Ithaca, N. Y.

PATTERSON CASE MAKES PROGRESS

Jury Is Chosen and Trial Proper Will Begin This Morning

By Associated Press.

Denver, Colo., Nov. 21.—Remarkable progress was made in the order in the Gertrude Patterson murder case today, and late this afternoon attorneys on both sides announced that they are satisfied with the jury, as the court was about to adjourn until tomorrow morning, at which time the trial proper will begin.

The jury is composed for the most part of young married men, and will be called upon to decide after hearing the evidence, whether Mrs. Patterson deliberately shot her husband in the back last September 25, or whether she killed him in self defense.

All day long curious persons crowded the court room, while others who could not gain admission stood outside for hours to get a glimpse of the beautiful young woman charged with the murder of her husband.

Throughout the day she retained her usual composure and the intent gaze of the throng seemingly caused her but little discomfort. This morning it was not expected that the jury would be secured before tomorrow night.

Flyer Falls 400 Feet.

By Associated Press.

Chicago, Ill., Nov. 21.—Kald Bolton, formerly an English army officer, but recently studying aviation here, fell in the Pullman field today four hundred feet in an aeroplane, and his injuries may prove fatal.

LITTLE PROGRESS IN McNAMARA CASE

Los Angeles, Cal., Nov. 21.—Three men were challenged and one excused in the McNamara trial today, and the decision on two others was reserved until tomorrow, this comprising the entire work of today's session. F. A. Brode, a salesman, was under examination tonight when the court adjourned.

STRIKE NEARER ON ROCK ISLAND

Five Thousand Shopmen Threaten Walk-out at Any Minute

Special to Daily News.

Fort Worth, Tex., Nov. 21.—Five thousand Rock Island shop men are expected to strike any minute, according to the statements of the railroad officials, who today issued a public statement defending their side of the controversy.

The men are demanding higher wages, shorter hours and better shop rules, all of which the company refuses. It is stated that the number walking out in Texas will approximate 1,500.

FLOOD WATERS IN WASHINGTON SUBSIDE

By Associated Press.

Seattle, Wash., Nov. 21.—Flood waters of western Washington are subsiding nearly as rapidly as they rose, and the railroads expect to raise the blockades tomorrow.

Seattle's municipal lighting plant will be restored by tomorrow, and the broken water pipes will have been mended by Saturday night. Until then the majority of the inhabitants will suffer great inconvenience, dwellings being without running water and even drinking water being difficult to obtain.

AUDITOR HAYES DIES AT TOPEKA

Blood Poisoning as Result of Accidental Shooting Is Cause

Special to Daily News.

Topeka, Kas., Nov. 21.—A. A. Hayes, freight auditor for the Santa Fe at this place, died this morning as a result of the accidental shooting in the calf of the leg, while out shooting a few days since.

At the time of the accident it was thought that the hurt would be little more than trivial, but later blood poisoning developed, and last night he sank rapidly to dissolution.

Florida White-Ribboners Meet.

By Associated Press.

Tampa, Fla., Nov. 21.—The twenty-eighth annual convention of the Florida Woman's Christian Temperance Union opened here today with an unusually large attendance and will continue in session until Friday evening. This is the first time in more than twenty years that this organization is holding its annual meeting in Tampa and, in honor of the event, the citizens have made special efforts to please the delegates who are gathered here from all parts of the state. An exceedingly interesting program has been arranged for the convention, including a big reception at the Tampa Bay Hotel this evening; an address by Miss Ellen Stone, the famous missionary who was captured by brigands in 1901 and for whom a ransom of \$65,000 was paid, and a choral contest on Friday evening.

Motion was also filed by the government the injunctions shall remain permanent that final decree making permanent the injunctions be granted the commerce court.

BATTLESHIP FIGURES IN MURDER TRIAL

By Associated Press.

Boston, Mass., Nov. 21.—To further the ends of justice the United States battleship Nebraska left her place with the North Atlantic squadron and is now berthed at the Charleston navy yard awaiting inspection by the jury in the case of James Beeks, who was placed on trial in the United States circuit court, here today for the alleged murder of Alexander Allen. Beeks and Allen, both negroes, were messmates on the Nebraska. The killing of Allen occurred on the battleship while she was at the Charleston navy yard last May. It is expected the jury will be asked to view the scene of the tragedy. On application of counsel for the accused negro the Navy Department ordered to return to Boston for the trial. Beeks claims that the shooting of Allen was in self-defense.

WEATHER

Local Forecast.

Fair and colder Wednesday. Yesterday's temperature. At 7 a. m. 34 At 7 p. m. 58 Maximum 60 Minimum 23 1910 Max. 66 1910 Min. 22

Washington Forecast.

Washington, D. C., Nov. 21.—For West Texas—Fair Wednesday and Thursday.

DETECTIVE HAS MANIFESTOS OF GENERAL REYES

Three Copies of Alleged Call for General Revolt in Mexico

ARE HELD AS EVIDENCE

WILL BE LAID BEFORE DISTRICT ATTORNEY BY CHIEF OF SECRET SERVICE DEPARTMENT.

SENSATION IS LIKELY

Steps To Be Taken to Cancel Reyes' Citizenship According to Maderista Report.

Special to Daily News.

San Antonio, Tex., Nov. 21.—Copies of three manifestos calling on the Mexican army and the Mexican people to revolt against the Madero government, and signed in print with the name of General Bernardo Reyes are in the hands of H. A. Thompson, chief of the secret service department, of San Antonio, and will be laid before the United States district attorney.

What action will follow is problematical, but it is asserted that developments of a sensational nature will result.

Fearing to trust the mails with the alleged incriminating documents against General Reyes, special envoy was employed to convey them to the hands of the authorities from Laredo to San Antonio, Mexican Consul Loran being the bearer of the same. This morning they were placed with Consul Esteva here, and by the latter turned them over to Secret Service Agent Thompson.

An attempt will be made to show that as documentary evidence they demonstrate that the plan was fully developed to enter Mexico and wage war against the present constituted authorities.

WARM WELCOME TO REYES PROMISED

Special to Daily News.

San Antonio, Tex., Nov. 21.—T. L. Beltran, a Maderista secret service man returned today from Saltillo and Monterey and states that the people of Mexico will take immediate steps to cancel General Bernardo Reyes' citizenship in that country and also his position as retired general.

Beltran declares that General Reyes is welcome to return to Mexico, and that he will receive a "warm reception," machine guns and five thousand rifles being among the implements from which the "welcome" would be thundered.

ASK FOR APPEAL IN RATE CASES

By Associated Press.

Washington, D. C., Nov. 21.—Counsel for the government late today filed with the commerce court a writ of appeal in the transcontinental rate cases. Appeal is from the temporary injunction granted by the commerce court in cases involving an interpretation of the "long and short haul" provisions of the law.

Motion was also filed by the government the injunctions shall remain permanent that final decree making permanent the injunctions be granted the commerce court.

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